

**LODI CITY COUNCIL
SPECIAL CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JANUARY 4, 2005**

A. CALL TO ORDER / ROLL CALL

The Special City Council meeting of January 4, 2005, was called to order by Mayor Beckman at 7:06 a.m.

Present: Council Members – Hansen, Hitchcock, Johnson, Mounce, and Mayor Beckman

Absent: Council Members – None

Also Present: Interim City Manager Keeter, City Attorney Schwabauer, and City Clerk Blackston

B. REGULAR CALENDAR

B-1 "Discussion and appropriate action regarding the formation of a City of Lodi Budget Commission"

Interim City Manager Keeter reviewed the makeup of the City Manager's 2004 Budget Advisory Committee. She explained that it was established to serve the City of Lodi in an advisory capacity in matters pertaining to City finances. The functions were to review the budget, procedures, or any specific study items as requested by the City Manager. In addition, the Committee was to provide written recommendations to the City Manager, as well as written advantages and disadvantages for each recommendation, and to provide oral presentations to the City Council at the City Manager's request or at the Committee's initiative. Ms. Keeter also reviewed a list of responses from other cities regarding their budget and finance committees, commissions, and task forces.

Mayor Beckman explained that the goal of this meeting was to discuss various questions related to the formation of a budget commission and bring the matter back at a regular meeting for adoption.

Council Member Hansen emphasized the importance of defining the role and goals of such a body and educating it on the challenges the City faces. He felt that one of its roles would be to assist the Council in educating the community about these challenges.

Mayor Beckman stated that he had envisioned the Budget Commission to be similar to the Planning Commission, which has seven members who comply with the Brown Act and Political Reform Act (i.e. file conflict of interest statements). The Commission would vote on the budget and forward it to Council as a recommendation. He suggested that the Commission review the budget in detail, adhering to established budget policies. By doing so, it would alleviate the need for Council to have multiple meetings on the detail of the budget prior to its final adoption.

In response to Council inquiries, Finance Director Krueger described the Budget Committee process that the State of Oregon (*where he was formerly employed*) instituted. Separate budget columns delineated what was requested, recommended, proposed, and finally approved. This kept the public aware of what was requested by Department Heads, what was approved by the Budget Committee, and what was adopted by Council.

Mayor Pro Tempore Hitchcock expressed concern about forming a "commission" and potentially giving up some of Council's responsibility to the body. She suggested that it might be better to form a "committee" initially and evaluate it for a period of time.

Council Member Hansen agreed with Ms. Hitchcock, stating that he did not want to pass on any responsibilities he has as a Council Member. He noted that during the budget process Council is lobbied by various groups, and the Budget Commission, as described by Mayor Beckman, would move that aspect down to the Commission level and bypass Council. He felt it was important for Council to put into place (e.g. through an ordinance) mechanisms to be a financially conservative city. It would be important for a Budget Commission to understand Council's short- and long-term goals.

Mayor Pro Tempore Hitchcock preferred that the Commission vote on the budget prior to bringing it forward to Council for consideration. It should consider the level of detail that Council has in the past, including personnel, significant expenditures, reductions, and revenue enhancements. She felt that the composition of the Commission should be a broad cross section to include staff, community members, and Council.

Mayor Beckman summarized that Council appears to want specific recommendations from the Budget "Committee," the Committee should vote on the budget prior to it coming before Council, it should work within current and existing budget policies, comply with the Brown Act, and it would be a Council Committee as opposed to a City Manager's Committee.

Council Member Johnson warned that if Budget Committee members were subject to the Political Reform Act, the requirement to disclose personal assets might exclude the "best and brightest" of the community.

Council Member Hansen commented that the new City Manager should have an opportunity to provide input on the subject of forming a Budget Committee before Council approves it.

In response to Mayor Beckman, Ms. Keeter reported that, historically, Department Heads have presented their budget requests to a group consisting of the City Manager, Deputy City Manager, Finance Director, and a Management Analyst. This group developed a recommendation, which was incorporated into the budget and presented to Council.

Mayor Beckman suggested that the Budget Committee be part of the group Ms. Keeter described.

Mayor Pro Tempore Hitchcock and Council Member Hansen were opposed to Mr. Beckman's suggestion, as they envisioned the Committee to maintain some autonomy.

Ms. Keeter suggested that the Budget Committee review only significant expenditure requests rather than line items.

Discussion ensued regarding the number of members, terms, and how they would be selected. Council concurred with the following:

- The Budget Committee would be comprised of seven members;
- Vacancies would be posted and applications solicited;
- Initially four members would serve four-year terms and three members would serve two-year terms;
- Each Council Member would make one recommendation, and the remaining two Committee members would be selected from the highest ranked (*by Council*) applications;
- After initial formation, vacancies would be filled as are others, i.e. by the Mayor's recommendation with Council approval;
- It would be a budget "formation" committee, as opposed to an "oversight" committee.

Mayor Pro Tempore Hitchcock preferred that two members be representatives from employee bargaining groups.

Council Members Hansen, Johnson, and Mounce agreed that no special interest groups should be represented on the Budget Committee.

Continued January 4, 2005

MOTION / VOTE:

There was no Council action taken on this matter.

C. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 8:30 a.m.

ATTEST:

Susan J. Blackston
City Clerk